

# TENNESSEE REGULATORY AUTHORITY

Deborah Taylor Tate, Chairman  
Pat Miller, Director  
Sara Kyle, Director  
Ron Jones, Director



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460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

March 11, 2004

Mr Archie Hickerson  
AGL Resources, Inc  
Location 1686  
P O. Box 4569  
Atlanta, GA 30307

RE Docket No. 04-00034 – Petition of Chattanooga Gas Company for Approval of Adjustment of Its Rates and Charges and Revised Tariff

Dear Mr. Hickerson

After reviewing your petition, we have discovered that certain additional information is needed to complete the application. Please provide the following information, an original and thirteen (13) copies, addressed to:


Deborah Taylor Tate, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

86. Examine Company Account 279200 – ADFIT Other Timing Differences for the past four years. Describe the nature of this account. Also, explain why the account cycles between positive and negative amounts over the last four years. Explain the Company's process of posting activity to this account (monthly, quarterly, etc.) Provide the supporting Schedule M adjustments on the Company's tax documents that support the entries to this account.
87. Explain the nature of Account 100401 – Acquisition Adjustment Reclassified for \$1,880,781 on the Company's trial balance. Also provide the accounting entry when this account was created.
88. Explain the nature of Account 100410 – Accumulated Amortization of Acquisition Adjustment. Also, explain how the Company computes the monthly amortization to this account and why the balance has not changed since 2001. Also, explain the difference between this account and Account #100411.

- 89 Provide and explain the accounting entries that have caused the balances in the Company's Contribution in Aid of Construction Accounts (101000, 101110, 101105, 101130) at September 30, 2003 to decline from the September 30, 2002 balances. Also provide a description and the nature of accounts 101105 and 101130
90. Examine Company Account 255 – Customer Advances. Do these accounts comprise all of customer advances? Describe the distinguishing features of accounts 255200, 255800, and 255801. Explain why the balances in these accounts have remained stagnant over the past four years.

Please respond by March 25, 2004. Thank you for your attention to this matter. If you should have any questions, you may contact me at (615) 741-2904, ext 174.

Sincerely,



William H. Novak  
Chief  
Energy and Water Division

cc: Steven Lindsey  
D. Billye Sanders  
John Ebert  
Elizabeth Wade

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